

Message Text

LIMITED OFFICIAL USE

PAGE 01 OECD P 28303 271927Z

64

ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-07

EA-07 FRB-03 INR-07 IO-13 NEA-10 NSAE-00 USIA-06

OPIC-03 SP-02 TRSE-00 CIEP-01 LAB-04 SIL-01 OMB-01

AGR-05 AGRE-00 L-03 STR-04 PA-01 PRS-01 /098 W

----- 019855

R 271911Z SEP 76

FM USMISSION OECD PARIS

TO SECSTATE WASH DC 3537

INFO AMEMBASSY LONDON

LIMITED OFFICIAL USE OECD PARIS 28303

PASS TREASURY (FOSTER) AND IRS (MCGOWAN/CP:OIO)

E.O. 11652: N/A

TAGS: EFIN, OECD

SUBJECT: SEPTEMBER 21-22 MEETING OF TAX INSPECTORS

REFS: (A) DAF/CFA/76.17, (B) OECD PARIS 19089

1. TAX INSPECTORS FROM OECD COUNTRIES GATHERED SEPTEMBER 21-22 TO DISCUSS "INTERNATIONAL TAX AVOIDANCE AND EVASION" FROM THE PERSPECTIVE OF FIELD AUDITORS. THIS EXPERIMENTAL MEETING, CONVENED UNDER THE AUSPICES OF THE COMMITTEE ON FISCAL AFFAIRS (CFA) AND CHAIRED BY MR. HALLIN (SWEDEN), DID NOT DISCUSS SPECIFIC CASES (AS HAD ORIGINALLY BEEN FEARED BY SOME COUNTRIES WHO ACCORDINGLY HAD BEEN UNENTHUSIASTIC ABOUT HOLDING THE MEETING).

2. SUBSTANTIVE DISCUSSIONS TOOK PLACE IN THREE PANELS:

(1) FALSE OR OTHERWISE INCORRECT INVOICING--CHAIRED BY WESTERBURGEN (NETHERLANDS). U.S. REP: PECK.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 OECD P 28303 271927Z

(2) PAYMENTS IN RESPECT OF PAYMENTS AND KNOW-HOW
BETWEEN RELATED AND UNRELATED ENTERPRISES--
CHAired BY GENDRE (SWITZERLAND). U.S. REP:
KLIMKIEWICZ.

(3) LEGISLATIVE AND ADMINISTRATIVE PROCEDURES
DESIGNED TO COUNTERACT AVOIDANCE AND EVASION
THROUGH USE OF TAX HAVENS--CHAired BY CAMELOT
(FRANCE). U.S. REP: VOYSEY.

AT FINAL PLENARY SESSION EACH PANEL CHAIRMAN GAVE ORAL
REPORT OF RESPECTIVE SESSION WHICH, AFTER INCORPORATING
MINOR COMMENTS FROM THE FLOOR, WILL SERVE AS BASIS FOR
WRITTEN REPORTS TO CFA FOR ITS JANUARY MEETING.

3. IMPASSIONED PLEA FROM FRG DELEGATE FOR FOLLOW-UP,
VIA ADDITIONAL SIMILAR MEETINGS AND GREATER DIRECT
COMMUNICATION BETWEEN INSPECTORS AT WORKING LEVEL, DREW
CAUTIOUS RESPONSE FROM CHAIRMAN AND SECRETARIAT
(HACKETT), WHO SAID THAT THIS IS QUESTION FOR CFA TO
DECIDE. HACKETT NOTED ONGOING WORK ON MODEL CONVENTION
FOR DOUBLE TAXATION AND SAID FURTHER EXTENSION OF
ARTICLE 26 (REGARDING EXCHANGE OF INFORMATION) WOULD
RISK ALIENATING ONE OR MORE OECD MEMBERS. HE REFERRED
TO AD HOC MEETING ON EVASION SCHEDULED FOR DECEMBER,
SUGGESTING FRG REQUEST BE RAISED THERE, AND ALSO NOTED
LIKELIHOOD OF ESTABLISHMENT IN 1977 OF CFA WORKING
PARTY ON GENERAL QUESTION OF IMPROVING INTERNATIONAL
COOPERATION ON ANTI-EVASION PROCEDURES. (SUBSEQUENTLY,
HACKETT IN PRIVATE CONVERSATION WAS FAVORABLY INCLINED
TO ADDITIONAL MEETINGS OF TAX INSPECTORS.) CHAIRMAN
NOTED CONSTRAINTS SUCH AS LACK OF MANPOWER AND TRANS-
LATION REQUIREMENTS WHICH, FOR MANY COUNTRIES, STAND
IN WAY OF GREATER DIRECT COOPERATION.

4. RE ATTITUDE TO PRESS INQUIRIES, SECRETARIAT INDICATED
AT START OF MEETING IT WOULD CONFIRM FACT AND SUBJECT OF
MEETING BUT WOULD POINT OUT ITS TECHNICAL NATURE AND
EMPHASIZE THAT IT WAS INTENDED TO EXCHANGE VIEWS AND NOT
REPEAT NOT TO REACH AGREEMENTS. MISSION RECEIVED ONE
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 OECD P 28303 271927Z

U.S. PRESS INQUIRY AND TOOK THIS LINE.
KATZ

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TAX LAW, MEETING REPORTS, CONSULTANTS, TAXES
Control Number: n/a
Copy: SINGLE
Draft Date: 27 SEP 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: BoyleJA
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976OECDP28303
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760364-0901
From: OECD PARIS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760916/aaaaanwe.tel
Line Count: 109
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 OECD PARIS 19089
Review Action: RELEASED, APPROVED
Review Authority: BoyleJA
Review Comment: n/a
Review Content Flags:
Review Date: 26 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <26 APR 2004 by CollinP0>; APPROVED <11 AUG 2004 by BoyleJA>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SEPTEMBER 21-22 MEETING OF TAX INSPECTORS
TAGS: EFIN, OECD
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006